



Department of Justice

FOR IMMEDIATE RELEASE
THURSDAY, APRIL 29, 2004
WWW.USDOJ.GOV

AT
(202) 514-2007
TDD (202) 514-1888

CARTWRIGHT INTERNATIONAL VAN LINES PLEADS GUILTY TO PARTICIPATING IN PRICE-FIXING CONSPIRACY

Missouri Company Sentenced to Pay a \$250,000 Criminal Fine

WASHINGTON, D.C. – Cartwright International Van Lines Inc. today pleaded guilty and was sentenced to pay a \$250,000 fine for conspiring to increase the rates paid by the Department of Defense (DOD) for the transportation of military and civilian DOD household goods, the Department of Justice announced.

According to the one-count felony charge filed today in the U.S. District Court in Alexandria, Virginia, Cartwright was charged with conspiring to fix prices in connection with the transportation of military and civilian DOD household goods from Germany to the United States in 2002. Under the plea agreement, Cartwright has agreed to assist the government in its ongoing investigation.

“Foreign and domestic price fixers must not be allowed to deprive our military of the ability to purchase needed services in a free and open market,” said R. Hewitt Pate, Assistant Attorney General in charge of the Antitrust Division.

In recent years, the DOD has spent more than \$100 million annually to move the household goods of its military and civilian personnel from Germany to the United States.

The charge announced today resulted from an ongoing federal antitrust investigation of anticompetitive and fraudulent conduct in the industry which provides transportation to the DOD for the movement of military household goods. The investigation is being conducted by the

Antitrust Division's National Criminal Enforcement Section with the assistance of the DOD Office of Inspector General Defense Criminal Investigative Service and the Army Criminal Investigation Division, and is continuing.

As part of the same investigation, on February 18, 2004, the Department filed superseding charges against Belgium-based Gosselin World Wide Moving N.V. and charges against The Pasha Group, headquartered in Corte Madera, California.

Cartwright, headquartered in Grandview, Missouri, is charged with price fixing in violation of 15 U.S.C. § 1, which carries a maximum fine for a corporation of \$10 million. The maximum fine level may be increased to twice the gain derived from the crime or twice the loss suffered by the victim of the crime, if either of those amounts is greater than the statutory maximum fine. In addition, the defendant may be ordered to pay restitution for the full amount of the victim's loss.

Anyone with information concerning price fixing, bid rigging, or fraud in the military moving and storage industry or concerning conspiratorial conduct for the purpose of reducing or eliminating competition on any government contract should call the National Criminal Enforcement Section of the Antitrust Division at (202) 307-6694 or the Mid-Atlantic Field Office of the Defense Criminal Investigative Service at (410) 529-9054.

###